

How Gold-As-Money Can Prevent Mob Rule

By [The Mogambo Guru](#)

09/03/10 Tampa, Florida – Ellen Kelleher, writing for *The Financial Times*, opens her article with how Baird & Co., in their warehouses in London, purify gold by heating it to molten form to make “medallions, bars, and rings,” which sounds like a lot of heavy, hot, back-breaking, dangerous work to me, as if the word “work” was not bad enough by itself with the terrifying adjectives.

As you may have guessed, heavy, hot, back-creaking dangerous work is of absolutely no interest to me, or guys like me, including me, who just want to make a lot of money without working when gold shoots to the moon like it always has in history when some lowlife, corrupt dirtbag government abuses a fiat currency by creating Too Freaking Much (TFM) of it, and which is then obligated to continue creating Too Freaking Much (TFM) more fiat money by virtue of having created Too Freaking Much (TFM) money in the First Freaking Place (FFP)!

And why is more money hanging around a bad thing? Because it makes consumer prices rise, you moron! Where else do you think the extra money was going to go if not into prices?

So, prices rise and rise, always rising and rising, month after month, year after year, faster and faster, always higher and higher, rising along with rising anger in the population, a problem with which the government tries to cope by deficit-spending even more money! That the Federal Reserve will again dutifully create! Making it all predictably worse and worse! Gaaahhhh!

And what do I mean by “worse and worse”? Finally, prices rise so high that the society dissolves in a bloodbath of food riots and post-apocalyptic mob-rule lawlessness born of desperation and panic, which is sugarcoating it just as much as I possibly can.

I notice that I cause a groan in the audience when I mention, for the thousandth time, how the Founding Fathers gave us a requirement for gold-as-money in the Constitution of the United States expressly to prevent this, and thus prevent our being destroyed by inflation in prices that an inflation in the money supply always produces.

And I notice that people usually start getting up to actually leave in disgust, muttering “Same Old Stupid Mogambo Crap (SOSMC)” when I start to rave, as I predictably do, about how the horrid, traitorous Supreme Court ruled, in the '30s, that a “fiat money” was the same as a “gold money,” when it obviously is not, and when I become outraged that every other despicable Supreme Court since then has upheld this outrageous legal treachery, but I stop in mid-rant shouting, “Stop! Don't leave! This is not about that! This is about how Tony Baird, the managing director who runs the gold refinery, and thus probably knows a lot about gold, says the immortal truism that the price of ‘Gold is stable. It's the value of money that goes up and down.’”

I see the look of confusion on their faces as they halt in their retreat, so I continue, “So don't you see? This means that the Federal Reserve will constantly create trillions of dollars in new fiat

money so that the frightening Obama administration can deficit-spend – this year alone! – over \$1.6 trillion, and then deficit-spend trillions more, too, year after year!”

Again they start heading to the door, and I see that they need a more concrete example, so I yell out, “This means that betting that the value of the dollar falls, as per Mr. Baird’s saying that the value of money goes up and down, is the Ultimate Mogambo No-Brainer Investment (UMNBI) that we have been looking for: We will be quickly rich without working by merely buying gold, silver and oil! Whee! This investing stuff is easy!”